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ISSUED: FEBRUARY 1991

PENNSYLVANIA'S

LABOR FORCE

..... A Monthly Statistical Analysis

JANUARY 1991 HIGHLIGHTS

- Pennsylvania's joblessness increased in January, as the statewide rate of unemployment rose to 6.3 percent, seasonally adjusted, from 5.7 percent in December.
- Nonfarm jobs decreased by 133,100 in January to a total of 5,037,200. They were 28,600 below their level of January 1990.

In December, 1990 . . .

- Average weekly earnings of production workers in Pennsylvania manufacturing industries were $461.25, slightly under November's all-time high.
- The number of initial claims and weeks claimed increased and their totals for the year were the highest since 1986.
- Unadjusted unemployment rates decreased in fifty-three of Pennsylvania's sixty-seven counties.
- Eight of Pennsylvania's fifteen major labor market areas had lower seasonally adjusted unemployment rates than in November.

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LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF LABOR AND INDUSTRY
BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis

is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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CURRENT LABOR FORCE SITUATION

LABOR FORCE ESTIMATES FOR JANUARY 1991

Pennsylvania's employment situation in January reflected the national recession. The state's seasonally adjusted unemployment rate rose 0.6 percentage point from December to 6.3 percent in January, highest since September 1986. The national rate increased to 6.2 percent in January from 6.1 percent in December.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show January's unemployment in Pennsylvania up to a four-year high of 371,000, seasonally adjusted, from 337,000 in December. The 0.6 percentage increase in the unemployment rate, however, contrasted sharply with jumps of 2.7 and 2.6 percentage points in January 1975 and January 1982, respectively -- both recession years. This is in line with economists' forecasts that the current recession will be shallow. The year-ago (January 1990) rates were 5.2 percent in Pennsylvania and 5.3 percent in the U.S.

Employment, seasonally adjusted, fell 103,000 in January to 5,482,000. This was the first time since late 1988 that employment was below 5.5 million. Sizeable employment reductions are typical for January -- reflecting adverse construction weather and post-holiday retail trade layoffs -- but this January saw an unusually large setback in service industry jobs. Manufacturing employment slipped to a new record low, but held up surprisingly well compared to past recessions.

Among the eleven largest states for which seasonally adjusted data are available, Pennsylvania's 6.3 percent rate of unemployment in January ranked eighth, down from seventh in December. Only Florida at 6.1 percent, Ohio at 5.9 percent, and North Carolina at 4.9 percent ranked below Pennsylvania. Eight states had rate increases while three had decreases.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

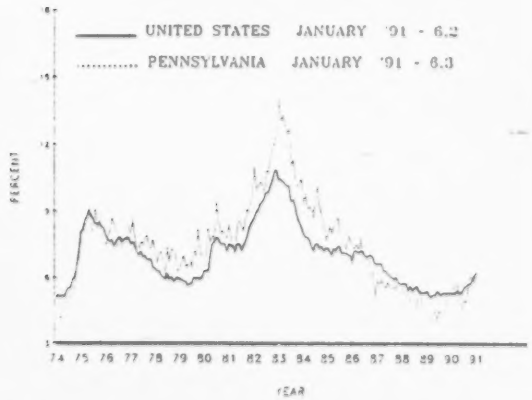

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	JAN. 1991	DEC. 1990	JAN. 1990	NET CHANGE FROM DEC. 1990	NET CHANGE FROM JAN. 1990
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,853	5,922	5,887	-69	-34
Employment	5,482	5,585	5,582	-103	-100
Unemployment	371	337	305	34	66
Rate of Unemployment (%)	6.3	5.7	5.2	0.6	1.1
UNADJUSTED DATA					
Civilian Labor Force	5,831	5,891	5,860	-60	-29
Employment	5,416	5,567	5,513	-151	-97
Unemployment	415	324	348	91	67
Rate of Unemployment (%)	7.1	5.5	5.9	1.6	1.2

PENNSYLVANIA'S JOBS

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	JAN. 1991 AP/	DEC. 1990 P/	NOV. 1990	DEC. 1989	NET CHANGE TO DEC. 1990 FROM: NOV. 1990	DEC. 1989
NONAG. WAGE AND SALARY	5,037.2	5,170.3	5,186.1	5,171.0	-15.8	-0.7
---GOODS PRODUCING INDUSTRIES	1,238.3	1,274.3	1,292.7	1,302.2	-18.4	-27.9
MINING	26.1	26.7	27.1	27.6	-0.4	-0.9
CONSTRUCTION	207.7	231.7	242.9	233.9	-11.2	-2.2
MANUFACTURING	1,004.5	1,015.9	1,022.7	1,040.7	-6.8	-24.8
DURABLE GOODS INDUSTRIES	565.0	571.9	577.1	591.1	-5.2	-19.2
LUMBER AND WOOD PRODUCTS		30.6	31.1	32.4	-0.5	-1.8
FURNITURE AND FIXTURES		19.3	19.5	20.7	-0.2	-1.4
STONE, CLAY, AND GLASS PRODUCTS		46.0	47.0	47.6	-1.0	-1.6
PRIMARY METAL INDUSTRIES		88.7	89.7	89.1	-1.0	-0.4
FABRICATED METAL PRODUCTS		88.1	88.5	90.7	-0.4	-2.6
INDUSTRIAL MACHINERY		108.1	108.7	111.2	-0.6	-3.1
ELECTRONIC EQUIPMENT		82.2	82.9	84.8	-0.7	-2.6
TRANSPORTATION EQUIPMENT		52.2	53.0	55.5	-0.8	-3.3
INSTRUMENTS AND RELATED PRODUCTS		37.6	37.5	38.1	0.1	-0.5
MISCELLANEOUS MANUFACTURING		19.1	19.2	21.0	-0.1	-1.9
NONDURABLE GOODS INDUSTRIES	439.5	444.0	445.6	449.6	-1.6	-5.6
FOOD AND KINDRED PRODUCTS		94.9	95.0	94.1	-0.1	0.8
TOBACCO MANUFACTURES		1.1	1.1	1.1	0.0	0.0
TEXTILE MILL PRODUCTS		26.8	27.1	28.4	-0.3	-1.6
APPAREL AND OTHER TEXTILE PRODS.		74.4	74.8	78.2	-0.4	-3.8
PAPER AND ALLIED PRODUCTS		40.8	41.1	41.0	-0.3	-0.2
PRINTING AND PUBLISHING		84.3	84.1	85.0	0.2	-0.7
CHEMICALS AND ALLIED PRODUCTS		61.2	61.3	60.6	-0.1	0.6
PETROLEUM AND COAL PRODUCTS		9.8	10.2	10.0	-0.4	-0.2
RUBBER AND PLASTICS PRODUCTS		41.3	41.3	41.7	0.0	-0.4
LEATHER AND LEATHER PRODUCTS		9.4	9.6	9.5	-0.2	-0.1
---SERVICE PRODUCING INDUSTRIES	3,798.0	3,895.0	3,892.3	3,867.3	2.7	27.7
TRANSPORTATION	149.0	153.5	152.5	153.2	1.0	0.3
PUBLIC UTILITIES	104.9	104.6	104.3	103.6	0.3	1.0
COMMUNICATIONS		50.5	50.3	48.9	0.2	1.6
ELECTRIC, GAS AND SANITARY		54.1	54.0	54.7	0.1	-0.6
WHOLESALE TRADE	280.5	283.4	283.0	282.3	0.4	1.1
RETAIL TRADE	880.7	925.9	917.3	926.5	8.6	-0.6
GENERAL MERCHANDISE STORES		137.6	134.2	137.9	3.4	-0.3
FINANCE, INSURANCE AND REAL ESTATE	291.6	293.6	293.3	296.9	0.3	-3.3
FINANCE		139.3	139.1	143.1	0.2	-3.8
INSURANCE		114.9	114.7	113.8	0.2	1.1
REAL ESTATE		39.4	39.5	40.0	-0.1	-0.6
SERVICES	1,388.9	1,418.9	1,423.9	1,392.5	-5.0	26.4
BUSINESS SERVICES		206.7	206.2	204.3	0.5	2.4
HEALTH SERVICES		466.7	466.7	454.4	0.0	12.3
HOSPITALS		257.2	256.6	247.4	0.6	9.8
LEGAL SERVICES		41.7	41.9	40.8	-0.2	0.9
EDUCATIONAL SERVICES		160.1	163.2	157.6	-3.1	2.5
SOCIAL SERVICES		102.6	102.4	98.4	0.2	4.2
OTHER SERVICES		441.1	443.5	437.0	-2.4	4.1
GOVERNMENT	702.4	715.1	718.0	712.3	-2.9	2.8
FEDERAL		138.3	138.5	143.0	-0.2	-4.7
STATE		160.2	161.8	156.2	-1.6	4.0
LOCAL		416.6	417.7	413.1	-1.1	3.5
---PERSONS IN LABOR-MGMT. DISPUTES	0.9	1.0	1.1	1.5	-0.1	-0.5

AP/ = Advance preliminary, based on early survey returns.
P/ = Preliminary data.

NON-FARM JOBS FELL FOR SECOND STRAIGHT MONTH

Advance preliminary figures from the monthly survey of employer payrolls showed total Pennsylvania non-farm employment decreased by 133,100 from December to 5,037,200 in January 1991.

Jobs in all service-producing lines fell by a combined 97,000 from their record-high total of December to 3,798,000 in January 1991. Construction and manufacturing accounted for nearly all of the 36,000 drop in the goods-producing sector from December to 1,238,300 in January.

PENNSYLVANIA NON-FARM JOBS DROP FROM ALL-TIME HIGH

Nonagricultural jobs in Pennsylvania declined by 15,800 from their all-time high of last November to 5,170,300 in December. The drop was about twice the seasonal norm and brought the job total to 700 below that of December 1989. The changes over both periods were the net results of gains in the service-producing sector being outweighed by losses in goods-producing industries.

The monthly non-farm job count excludes farm workers, the self-employed, domestic workers and unpaid family workers.

Jobs in the service-producing sector grew by 2,700 since November 1990 and by 27,700 from December 1989 to a record high 3,895,000 in December 1990. Growth has slowed in recent months.

Retail trade jobs rose by 8,600 in December to reach 925,900, their third highest ever, but were under the December levels of 1989 and 1988.

Also at a third highest level ever, wholesale trade payrolls added 400 jobs to total 283,400 in December, up by 1,100 since December 1989.

Services lost 5,000 jobs in December, primarily in educational and agricultural lines. This industry group's December 1990 job total of 1.42 million remained 26,400 above that of December 1989 and was sixth highest on record, with all previous highs occurring since June 1990.

Finance, insurance and real estate gained only 300 jobs, compared with an average November-to-December gain of 800 in better years. Throughout 1990, 3,300 jobs were lost in this industry line.

With 715,100 jobs in December -- 2,800 more than a year before -- government payrolls declined by 2,900 since November, nearly twice the normal seasonal loss. Year-to-year gains in state and local governments outweighed federal losses.

Jobs within goods-producing industries declined by 18,400 from November 1990 and by 27,900 from December 1989 to 1,274,300 in December 1990.

Construction jobs fell seasonally by 11,200 since November to 231,700 in December and were 2,200 under a year before, reflecting a nationwide weakening in the housing market.

Both durable and nondurable goods industries shared in manufacturing job losses of 6,800 from November 1990 and 24,800 from December 1989 to 1,015,900 in December 1990. Instruments and related products and printing and publishing were the only lines to gain jobs from November.

Mining jobs fell by 400 from November 1990 and by 900 from December 1989.

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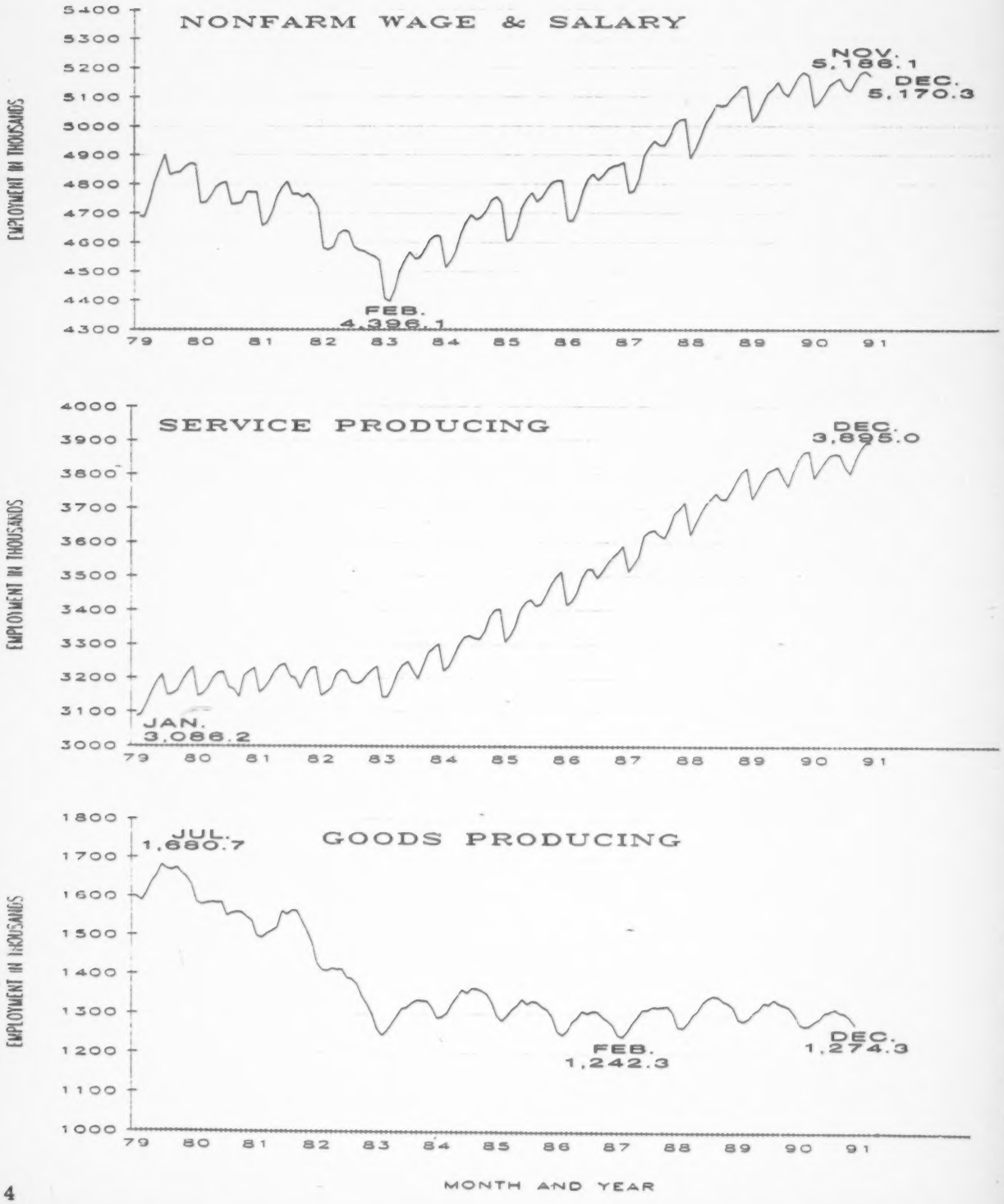
PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA



HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	DEC. 1990 P/	NOV. 1990	DEC. 1989	DEC. 1990 P/	NOV. 1990	DEC. 1989	DEC. 1990 P/	NOV. 1990	DEC. 1989
GOODS PRODUCING INDUSTRIES									
COAL MINING	$708.18	$706.75	$660.80	43.5	43.2	41.3	$16.28	$16.36	$16.00
NONMETALLIC MINERALS	492.06	524.40	450.89	43.7	46.0	42.1	11.26	11.40	10.71
MANUFACTURING INDUSTRIES	461.25	461.44	442.27	41.0	41.2	40.8	11.25	11.20	10.84
DURABLE GOODS	497.00	503.63	479.34	41.8	42.5	41.9	11.89	11.85	11.44
LUMBER AND WOOD PRODUCTS	359.67	373.20	347.24	37.9	40.0	38.2	9.49	9.33	9.09
FURNITURE AND FIXTURES	365.66	386.46	362.98	38.9	41.6	39.8	9.40	9.29	9.12
STONE, CLAY, AND GLASS PRODS.	478.25	498.37	464.54	41.3	43.0	41.7	11.58	11.59	11.14
PRIMARY METALS	572.37	588.72	552.12	43.1	44.0	42.8	13.28	13.38	12.90
FABRICATED METAL PRODUCTS	467.31	475.08	454.92	42.1	42.8	42.2	11.10	11.10	10.78
INDUSTRIAL MACHINERY	540.54	539.14	519.60	42.9	43.2	43.3	12.60	12.48	12.00
ELECTRIC AND ELECTRONIC MACH.	473.62	467.67	451.98	42.9	42.4	42.4	11.04	11.03	10.66
TRANSPORTATION EQUIPMENT	577.82	579.90	551.27	41.6	41.6	41.7	13.89	13.94	13.22
INSTRUMENTS AND RELATED PROD.	477.10	471.85	451.54	41.2	41.3	40.9	11.58	11.42	11.04
MISCELLANEOUS MANUFACTURES	416.03	428.49	437.09	38.7	40.5	40.1	10.75	10.58	10.90
NONDURABLE GOODS	415.36	408.28	394.00	39.9	39.6	39.4	10.41	10.31	10.00
FOOD AND KINDRED PRODUCTS	459.26	459.67	447.62	41.3	41.3	41.6	11.12	11.13	10.76
TOBACCO PRODUCTS	298.72	277.09	271.83	43.8	40.1	41.0	6.82	6.91	6.63
TEXTILE PRODUCTS	310.02	311.76	292.53	37.9	38.3	37.6	8.18	8.14	7.78
APPAREL AND RELATED PRODUCTS	239.03	232.89	224.11	35.1	34.4	33.7	6.81	6.77	6.65
PAPER PRODUCTS	512.74	503.30	503.80	43.6	43.5	44.0	11.76	11.57	11.45
PRINTING AND PUBLISHING	477.19	461.38	455.31	40.1	39.2	39.8	11.90	11.77	11.44
CHEMICAL AND ALLIED PRODUCTS	570.18	565.39	568.10	43.0	42.8	43.3	13.26	13.21	13.12
PETROLEUM AND COAL PRODUCTS	666.12	660.83	625.38	42.0	42.8	42.0	15.86	15.44	14.89
RUBBER AND PLASTICS PRODUCTS	430.92	420.93	402.41	42.0	41.8	41.4	10.26	10.07	9.72
LEATHER PRODUCTS	298.41	275.76	257.18	38.6	38.3	37.6	7.42	7.20	6.84
SERVICE PRODUCING INDUSTRIES									
COMMUNICATIONS	589.07	603.61	567.02	40.1	41.4	40.3	14.69	14.58	14.07
ELECTRIC, GAS, & SANITARY	749.02	750.58	696.78	43.7	44.1	42.8	17.14	17.02	16.28

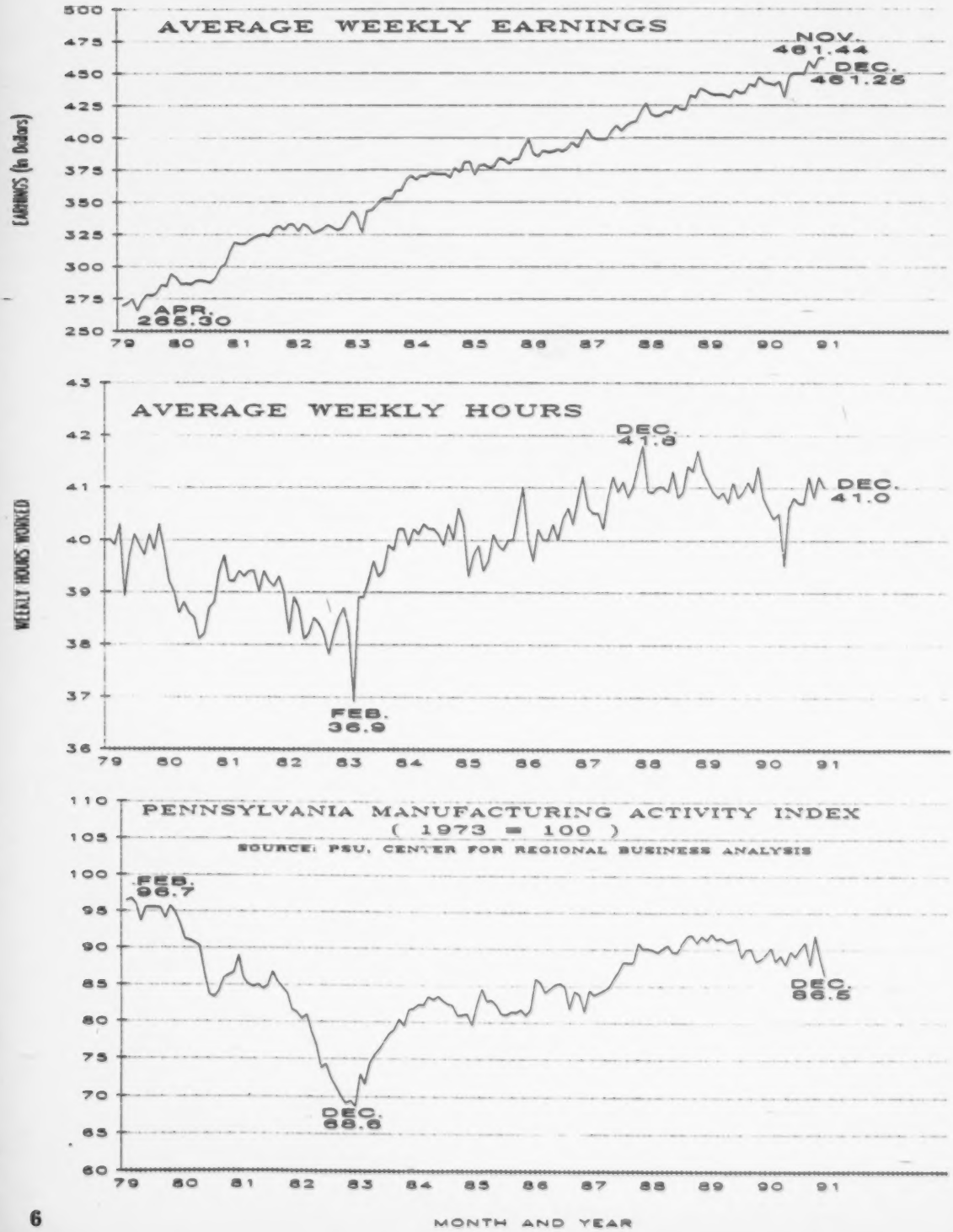
P/ = Preliminary Data

HOURS AND EARNINGS BOTH DECLINE

After setting an all-time high in November, average weekly earnings of production workers in manufacturing slipped nineteen cents in December to $461.25 ... the net result of a loss of 0.2 of an hour in the average workweek and a gain of five cents in average hourly pay. The average workweek remained strong at 41.0 hours, exceeded only twice in 1990 and the seventh longest in the last two years. Average hourly earnings were at an all-time high of $11.25.

As a result of the current recession, national durable goods orders have fallen in recent months, reflecting a tendency for consumers to defer buying items like automobiles and appliances in uncertain times. While comparable data are not available for Pennsylvania, it is reasonable to assume that the state's hard goods industries have been similarly affected. The number of jobs lost in the durable goods sector in December exceeded the normal seasonal decline. The average workweek is also beginning to reflect this downturn. The average workweek in this sector lost 0.7 of an hour from November to December and is down 0.1 of an hour from December 1989. Eight of the ten durable goods industries worked shorter workweeks in December than in November. Over the year, seven of the ten worked fewer hours. The nondurable goods workweek was up 0.3 of an hour over the month and 0.5 of an hour over the year.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS



UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

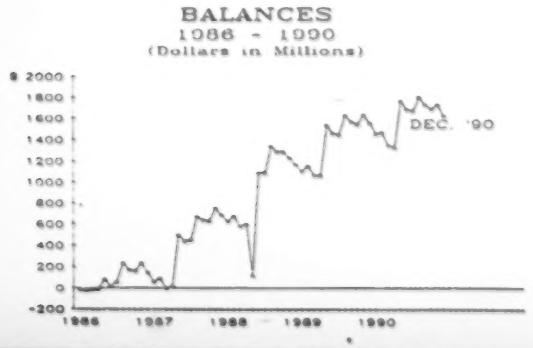
	DEC. 1990	NOV. 1990	DEC. 1989	NET CHANGE FROM NOV. 90	NET CHANGE FROM DEC. 89
CLAIMS ACTIVITY					
Initial Claims	155,811	120,995	141,203	34,816	14,608
Weeks Claimed	750,366	615,334	564,725	135,032	185,641
...Average Weekly Volume	178,659	139,849	134,458	38,810	44,201
Insured Unemployment Rate	3.6%	2.8%	2.8%	0.8	0.8
PAYMENT ACTIVITY					
First Payments	48,347	40,283	38,761	8,064	9,586
Final Payments	9,559	9,512	7,095	47	2,464
Weeks Paid	629,491	572,520	487,610	56,971	141,881
Net Benefit Amount	$111,113,532	$100,247,524	$84,058,768	$10,866,008	$27,054,764
Average Check	$176.51	$175.10	$172.39	$1.41	$4.12

ANNUAL CLAIMS TOTALS FOR 1990 HIGHEST SINCE 1986

Weeks claimed jumped by 135,032 or 22 percent from November to 750,366 in December and initial claims by 34,816 or 29 percent, to 155,811. December normally experiences an upswing in claims activity. The December claims totals, however, were up considerably in 1990 compared to 1989. Weeks claimed in December topped the year-ago level by 185,641 or 33 percent and initial claims by 14,608 or 10 percent. During 1990, claims figures for each month exceeded those for the same months in 1989. As a result, the annual total for weeks claimed rose by 18 percent from 6,598,609 in 1989 to 7,805,567 in 1990 and initial claims by 13 percent from 1,090,828 to 1,237,759. Both totals for 1990 were the highest since 1986. The insured unemployment rate (IUR) soared from November's 2.8 percent to December's 3.6 percent. This pushed the annual average IUR for 1990 to 3.1 percent, the first annual average above 3.0 percent since 1986's 3.6 percent.

The average check amount advanced for the fourth successive month in December, reaching $176.51, a record high. Increases in the average check and the number of weeks paid lifted the net benefit amount for December to $111 million, $11 million above November. Income to the Unemployment Compensation Trust Fund ($5 million) was far less than disbursements ($111 million) during December. This reduced cash reserves in the fund at the end of the month to $1.62 billion.

UNEMPLOYMENT COMPENSATION TRUST FUND ACTIVITY



DECEMBER 1990		
Income	$	4,818,915
Disbursements	$	111,113,126
Cash Reserves	$	1,620,917,309

UNEMPLOYMENT ... A GEOGRAPHIC VIEW

UNADJUSTED UNEMPLOYMENT RATES FOR MOST COUNTIES DECLINE DURING DECEMBER

Unemployment rates, not seasonally adjusted, decreased in fifty-three Pennsylvania counties during December. Two counties (Berks and Blair) had stable rates, while twelve counties had increases in their rates since November. The largest drop, by 1.8 percentage points, occurred in Bradford County, keyed by a net decline in unemployment claims from the manufacturing sector. Clinton County experienced the greatest rate upswing, 1.3 percentage points, as the result of seasonal movements coupled with small, non-seasonal layoffs from a broad spectrum of industries.

Three suburban Philadelphia Counties (Chester, Delaware and Montgomery) continue to have the three lowest rates in the state. December was the eighth consecutive month that Chester County, at 3.2 percent, had Pennsylvania's healthiest rate. Clinton County, at 12.6 percent, had the highest. The ten counties with the highest December unemployment rates were all west of the Susquehanna River.

Fifty-four Pennsylvania counties had higher unemployment rates in December 1990 than in December 1989. Four rates were unchanged and nine were lower. Clinton County had the greatest over-the-year increase, and Cameron County the largest decrease.

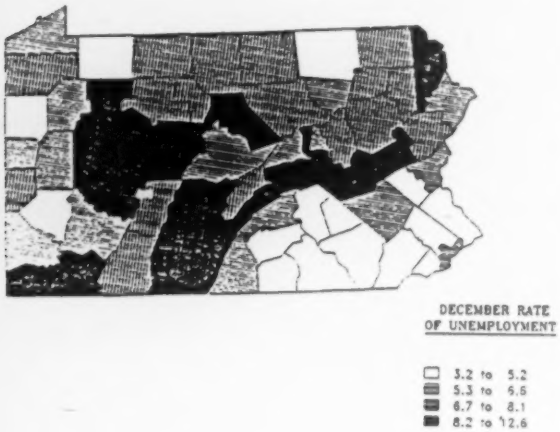


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
DECEMBER 1990

COUNTY	RANK	RATE	VOLUME
Chester	1	3.2	6,500
Delaware	2	3.7	10,800
Montgomery	2	3.7	14,500
Cumberland	4	3.8	4,300
Allegheny	5	4.0	26,600
Warren	6	4.1	900
Bucks	7	4.3	12,900
Adams	8	4.4	1,800
Dauphin	8	4.4	6,100
Lancaster	10	4.6	10,300
Lebanon	11	4.8	3,200
Mercer	11	4.8	2,500
York	13	4.9	8,900
Bradford	14	5.1	1,500
Lehigh	14	5.1	7,500
Franklin	16	5.3	3,100
Lawrence	16	5.3	2,600
Berks	18	5.4	9,700
Centre	19	5.5	3,800
Montour	19	5.5	400
Erie	21	5.6	7,600
Butler	22	5.7	4,200
Sullivan	22	5.7	200
Union	22	5.7	1,000
Northampton	25	5.9	7,000
Westmoreland	25	5.9	10,400
Venango	27	6.0	1,500
Philadelphia	28	6.1	44,800
Washington	28	6.1	5,800
Perry	30	6.2	1,300
Pike	30	6.2	800
Lackawanna	32	6.7	7,400
McKean	32	6.7	1,400
Columbia	34	6.8	2,200
Lycoming	35	7.2	4,400
Tioga	35	7.2	1,300
Luzerne	37	7.3	11,800
Crawford	38	7.5	2,800
Susquehanna	38	7.5	1,400
Elk	40	7.7	1,400
Mifflin	40	7.7	1,700
Potter	40	7.7	600
Wyoming	40	7.7	1,000
Beaver	44	7.8	4,600
Monroe	44	7.8	3,900
Cambria	46	7.9	5,000
Somerset	46	7.9	2,600
Cameron	48	8.1	200
Blair	49	8.2	5,000
Fayette	49	8.2	4,900
Jefferson	49	8.2	1,600
Greene	52	8.4	1,100
Carbon	53	8.5	2,200
Northumberland	54	8.6	4,200
Schuylkill	54	8.6	6,300
Armstrong	56	8.7	2,500
Wayne	57	8.9	1,800
Indiana	58	9.0	3,100
Clarion	59	9.2	1,700
Snyder	60	9.7	1,900
Clearfield	61	9.8	3,400
Bedford	62	9.9	2,200
Juniata	63	10.4	1,100
Fulton	64	10.6	700
Huntingdon	65	11.2	2,200
Forest	66	11.9	200
Clinton	67	12.6	2,000

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE
BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	DECEMBER 1990 * UNEMPLOYMENT NUMBER	AND RATE%	NOVEMBER 1990 UNEMPLOYMENT NUMBER	AND RATE%	DECEMBER 1989 UNEMPLOYMENT NUMBER	AND RATE%
UNITED STATES	7,600.0	6.1	7,337.0	5.9	6585.0	5.3
PENNSYLVANIA	337.0	5.7	343.0	5.8	303.0	5.1
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	19.4	5.8	20.3	6.1	16.4	5.0
ALTOONA MSA	4.9	7.9	4.9	7.9	4.2	7.0
BEAVER COUNTY PMSA	5.1	8.6	5.0	8.5	4.9	8.2
ERIE MSA	7.9	5.8	7.9	5.8	7.9	5.9
HARRISBURG-LEB-CARLISLE MSA	15.9	4.7	15.8	4.6	14.1	4.2
JOHNSTOWN MSA	7.9	8.1	8.4	8.6	7.6	7.9
LANCASTER MSA	10.2	4.5	10.2	4.5	9.0	4.0
PHILADELPHIA PMSA	126.0	5.2	126.9	5.2	102.9	4.2
PITTSBURGH PMSA	50.3	5.1	52.3	5.3	50.6	5.1
READING MSA	10.6	5.9	10.0	5.6	7.8	4.4
SCRANTON--WILKES-BARRE MSA	26.9	7.3	28.9	7.8	23.4	6.4
SHARON MSA	2.7	5.1	3.0	5.7	2.5	4.9
STATE COLLEGE MSA	3.7	5.4	3.8	5.6	3.6	5.5
WILLIAMSPORT MSA	4.3	7.0	4.7	7.6	4.1	6.7
YORK MSA	11.0	4.9	11.7	5.2	10.6	4.7

*Preliminary data

SEASONALLY ADJUSTED UNEMPLOYMENT RATES DECLINE IN EIGHT LARGE LABOR MARKET AREAS

Eight of Pennsylvania's major labor market areas recorded lower seasonally adjusted unemployment rates in December than in November. Four areas had unchanged rates and three had higher. The Sharon and Williamsport Metropolitan Statistical Areas (MSAs), each down 0.6 of a percentage point, recorded the largest rate decreases which reflected unusually large withdrawals from the labor force. It would appear that, for the most part, the relatively small improvements in the local Pennsylvania economies are but a lull in the overall economic decline. The largest rate increase occurred in the Reading MSA where an upswing of 0.3 of a percentage point was the result of layoffs from manufacturing industries.

The Lancaster MSA, with a rate of 4.5 percent for the third straight month, continues to have the lowest rate of any major area in the state. The Beaver County Primary Metropolitan Statistical Area (PMSA), still suffering severe effects from the early eighties recession which were later compounded by other economic setbacks, had the highest rate at 8.6 percent.

Compared to December 1989, only two of the state's major labor market areas (Erie and State College MSAs) had lower seasonally adjusted unemployment rates in December 1990. The Pittsburgh PMSA rate was unchanged, while the other twelve area rates were up.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for Service Delivery Areas (SDAs) ranged from 3.2 percent in SDA 21 to 8.6 percent in SDA 10.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
DECEMBER 1990 --- PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	135.7	128.2	7.6	5.6
02	Clarion, Crawford, Forest, Venango, Warren	105.0	97.8	7.1	6.8
03	City of Pittsburgh	172.6	165.7	6.9	4.0
04	Allegheny County minus City of Pittsburgh	486.4	466.7	19.7	4.0
05	Beaver	59.0	54.4	4.6	7.8
06	Armstrong, Butler, Indiana	136.8	127.0	9.8	7.2
07	Fayette, Westmoreland	235.9	220.7	15.3	6.5
08	Greene, Washington	107.4	100.5	6.9	6.4
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	103.4	94.9	8.6	8.3
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	205.2	187.6	17.6	8.6
11	Centre, Clinton, Columbia, Lycoming, Mifflin, Snyder, Union	236.1	219.2	17.0	7.2
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	83.9	78.5	5.5	6.5
14	Lackawanna	110.6	103.2	7.4	6.7
15	Carbon, Monroe, Pike, Wayne	109.2	100.5	8.7	8.0
16	Luzerne, Schuylkill	235.3	217.2	18.1	7.7
17	Philadelphia	733.7	688.9	44.8	6.1
18	Bucks	300.1	287.1	12.9	4.3
19	Montgomery	389.4	374.9	14.5	3.7
20	Delaware	290.9	280.1	10.8	3.7
21	Chester	200.4	193.9	6.5	3.2
22	Lehigh, Northampton	266.2	251.7	14.5	5.5
23	Berks	180.1	170.4	9.7	5.4
24	Cumberland, Dauphin, Juniata, Lebanon, Perry	347.5	331.6	16.0	4.6
25	Lancaster	222.2	211.9	10.3	4.6
26	York	182.7	173.8	8.9	4.9
27	Adams, Franklin	97.8	92.9	4.9	5.0
28	Lawrence, Mercer	100.3	95.2	5.1	5.1
29	Montour, Northumberland	57.5	52.8	4.7	8.1
	PENNSYLVANIA - TOTAL	**5891.0**	**5567.0**	**324.0**	**5.5**

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

SPECIAL INTEREST TOPIC

TARGETED JOBS TAX CREDIT (TJTC) AND EMPLOYMENT INCENTIVE PAYMENT (EIP) PROGRAMS

TJTC

Under the Targeted Jobs Tax Credit (TJTC) program, employers can claim tax credit on their federal income tax if they hire individuals from any of nine target groups. This federal program has been extended for an additional 15 months to December 31, 1991.

Employers who hire individuals in the target groups may claim a credit of 40 percent of first year wages up to $6,000 per employe. The maximum credit per employe for the first year of employment is $2,400. The value of the credit employers can claim for economically disadvantaged summer youth employes hired between May 1 and September 15 is 40 percent of wages up to $3,000 for a maximum credit of $1,200.

The nine target groups are:

- people with disabilities who have been referred to employers from the vocational rehabilitation program of either a state or the U.S. Department of Veterans Affairs
- youth aged 18-22 from economically disadvantaged families - an economically disadvantaged family is (a) a family that either receives public assistance or (b) has an annual family income that is less than 70 percent of the federal lower living standard income level as compared to the family size
- recipients of federal Supplemental Security Income
- recipients of state and local general assistance payments for at least 30 days
- youth aged 16 to 19 who are from economically disadvantaged families and participate in a qualified cooperative education program
- economically disadvantaged ex-convicts who are hired no later than five years after the date of release from prison or the date of conviction, whichever is more recent; an individual is to be treated as convicted, for purposes of the credit, if placed on probation without making a finding of guilty (deferred adjudication)
- recipients of Aid to Families With Dependent Children who are eligible for such assistance on the hiring date and have received it for 90 days immediately prior to being hired and
- economically disadvantaged youth who are 16-17 years of age on the hiring date and have previously not worked for the employer, and are hired for a summer job.

For the federal fiscal year October 1, 1989 to September 30, 1990, Pennsylvania issued 12,170 certifications under the Targeted Jobs Tax Credit program.

EIP

The TJTC federal program can be provided concurrently with a Pennsylvania State tax credit under the Employment Incentive Payment (EIP) Program in cases where the employe is a member of target groups receiving General Assistance or Aid to Families with Dependent Children (AFDC). The EIP credits can be applied toward several different State tax liabilities. However, the tax credit cannot be applied to Pennsylvania Unemployment Compensation taxes.

The EIP Program provides tax credits as a percentage of wages paid to encourage employers to hire employable welfare recipients. The credits are available for up to three years that each welfare recipient is employed. For the first year of employment, the employer can claim a credit of 30 percent of the first $6,000 in wages, or a tax credit of up to $1,800. For the second year, the credit is 20 percent of the first $6,000 in wages or a credit of up to $1,200. In the third year, the tax credit is 10 percent of the first $6,000 in wages, or a credit of up to $600. Additional tax credits of $600, $500, and $400 are also available if the employer provides the welfare recipient with child day care services. This program is currently in effect in Pennsylvania until June 30, 1992.

Effective February 1, 1991 Pennsylvania will offer a centralized mail-in automated system for the TJTC and EIP programs which will greatly simplify the certification process for employers.

For further information, contact your local Job Center office, or phone toll free our centralized Tax Credit Unit at **1-800-622-JOBS**.

Bureau of Job Service
Tax Credit Unit
Room 1120
Labor & Industry Building
Harrisburg, Pennsylvania 17121

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1987) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by number of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by average annual covered employment. Average annual covered employment is estimated until six months after year's end due to a lag in reporting covered employment.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Cash Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits.